GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:3782
ANSWERED ON:23.12.2004
KEROSENE TO SKO DEALER
Chowdhury Shri Adhir Ranjan

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Oil PSUs and Government has finalized minimum 75 K.L. Volume of Kerosene for SKO/LDO dealers to make the dealership economically viable;

(b) the number of SKO/LDO dealers in Haryana are not released the volume of 75 KLS of SKO, during the last three years, dealer-wise and company-wise;

(c) the number of dealerships out of them are belonging to widows and SCs/STs;

(d) whether such dealerships would be permitted to resite to make them economically viable;

(e) if not, the reasons therefor; and

(f) the time by which such dealership would be made economically viable?

Answer

MINISTER OF PETROLEUM & NATURAL GAS & PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR)

(a): While making recommendations for the quantum of commission payable to the dealers of SKO-LDO, the public sector oil marketing companies considered a viability norm of 75 kilolitre per month of kerosene for SKO-LDO dealerships.

(b): In the State of Haryana, there are 38 SKO-LDO dealerships, the average monthly allocation of kerosene to whom over the period 1st April, 2001 to 31st March, 2004, has been less than 75 kilolitre per month. The oil company-wise position is as under:-

Oil Company	No. of dealerships
Indian Oil Corporation Ltd.	12
Hindustan Petroleum Corporation Ltd.	17
Bharat Petroleum Corporation Ltd.	3
IBP Co. Ltd.	6
Total	38

(c): Out of these 38 dealerships, two dealerships are under the Scheduled Castes category and one for a Defence widow.

(d) to (f): The oil company-wise allocation of kerosene for a district is made by the State Government concerned based on the total allocation of the product made to the State. Out of this allocation, the company makes further allocations to its dealers in the district, keeping in view the historical allocation data for each of the dealers. As and when a new dealer is appointed in the district, the allocation of the new dealer is made by reducing the allocation of the existing dealers in the district/adjoining districts having higher allocation. Further, distribution of kerosene, meant for the public distribution system, by the dealers in the district, wherein they are located (and also in the adjoining district) is under the purview of the State Government. The quota of the district remains unchanged if there is no revision in the quota of the State itself. In view of this, the resitement of SKO-LDO dealerships from one location to another is not likely to serve the purpose. In order to increase the viability of the SKO-LDO dealerships, the oil companies have allowed their dealers to market lubricants and also to market indigenously-produced 'non-public distribution system' kerosene to genuine small volume consumers. These measures give additional business opportunity to the SKO-LDO dealers.